

Federal Acquisition Regulations

FAR 2.101 Definitions

“**Best value**” means the expected outcome of an acquisition that, in the Government’s estimation, provides the greatest overall benefit in response to the requirement.

Best Value Background

- Ex. Ord. No. 12931.
- Federal Procurement Reform ...Oct. 13, 1994, 59 F.R. 52387, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure effective and efficient spending of public funds through fundamental reforms in Government procurement, it is hereby ordered as follows:

(d) Increase the use of commercially available items where practicable, place more emphasis on past contractor performance, and promote **best value** rather than simply low cost in selecting sources for supplies and services; ...

White House Position on Best Value

“The [Bush] administration objected to a provision that it said would require all but the smallest competitions between in-house teams and private contractors to be decided on the basis of lowest cost rather than the best value for taxpayers.”

Federal Diary, October 20, 2005; Page B02

Defense Logistics Agency

Automated Best Value System

- Effective January 1, 2006, **ABVS** will capture performance data on awards for non-NSN items
- Formerly called the Automated Best Value Model

DLA Automated Best Value System

AN OVERALL DLA SCORE OF 95.0 OR ABOVE

<u>LEVEL</u>	<u>CONTRACT LINE ITEMS</u>	<u>DSCR CENTER SCORE</u>
Gold	10+	100.0
Silver	10+	99.0 – 99.9
Bronze	10+	98.0 – 98.9



Department of Defense (DOD) policies **require that program managers seek best value in depot maintenance support** and that the department maintains organic core depot maintenance capabilities.

These policies are implemented through the Depot Source of Repair (DSOR) decision process. The DSOR decision process has the potential **to substantially reduce program costs**. Its use helps ensure effective use of commercial and organic depot maintenance resources.



Special Operations Acquisition and Logistics Center

Contracting and Competition

USSOCOM CONTRACTING MISSION STATEMENT

Direct and control the planning and execution of the United States Special Operations Command's (USSOCOM) worldwide procurement function at the best value for the taxpayer.



GSA Travel Management Centers provide discounted airfares, car rentals, lodging and other travel services for Federal employees.

The President, the Vice President and the National Performance Review recommend the use of GSA schedules to "select goods and services that are **'best value'** instead of lowest price." But GSA usually delivers the lowest price as well as the best value. We get great deals for the Government by leveraging vendor-competitiveness and the size of the Federal market to contract for top-quality products and services at a discount.



U.S. General Services Administration

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“State and Local Governments Get Best Value Through GSA”

“Using the federal government’s buying power, state and local governments can now save money when they buy information technology (IT) software, firmware, supplies, support equipment, and services! GSA is making this possible through “cooperative purchasing.”



“The Administrative Resource Center is an office within the **U.S. Department of Treasury's Bureau of the Public Debt**. Our mission is to provide administrative support to various Federal agencies. With our staff of over 400 full time employees, we provide a full range of administrative services. [Includes “**Procurement**”]

“Since 1996 ARC has developed a client base of more than 30 satisfied **customers as a result of consistently providing its customers with the best value** business alternative. The reasons for these facts are clear.”

Applying Best Value



The New Procurement Process in the Commonwealth of Kentucky

March and April 1999

<http://www.state.ky.us/agencies/adm/leadership/best/sld001.htm>

Basis of Best Value for All Purchases

- Best Value Legislation (45A.070(3))states: "Best Value means a procurement in which the decision is based on the primary objective of meeting the specific business requirements and best interest of the Commonwealth. These decisions shall be based on objective and quantifiable criteria that shall include price and that have been communicated to the offerors as set forth in the invitation for bids."

Scoring Vendor's Bids

Each evaluator reviews, evaluates, and allocates points for every bid based on the best value criteria

Best Value Scorecard for Vendor 3		
Best Value Scorecard for Vendor 2		
Best Value Scorecard for Vendor 1		
Criteria	Possible	Rating
■ Vendor Responsibility	25 points	20
■ Delivery	15 points	12
■ Services	10 points	8
■ Equipment	10 points	9
■ Products	10 points	10
■ Catalog	10 points	7
■ References	10 points	6
■ Brands	5 points	5
■ Equipment Repair Service	5 points	5
TOTAL	100 points	82

Roles of agencies to support the Best Value procurement process

- ☐ Assessment of procurement priorities for procurement planning
- ☐ Provide performance measurement of vendors
- ☐ Participate in corrective action plans
- ☐ Identify business needs
- ☐ Participate on procurement teams
- ☐ Support electronic procurement through proper documentation